

02038

1997/09/00

An Intelligence Monograph

The Chinese Media: More Autonomous and Diverse—Within Limits

by Todd Hazelbarth

Exceptional Intelligence Analyst Program

“THE CHINESE MEDIA
ARE BECOMING MORE
AUTONOMOUS AND MORE
DIVERSE IN POLITICAL
CONTENT. . . . A RISE IN
THE NUMBER OF WELL-TO-
DO, MORE DISCERNING,
AND BETTER EDUCATED
CITIZENS HAS CREATED A
MARKET FOR A MUCH
GREATER RANGE OF
INFORMATION AND POINTS
OF VIEW. THESE DEMANDS
ARE BEING MET BY AN
EXPANDING ARRAY OF
MEDIA ORGANIZATIONS.”

CSI 97-10003
September 1997

This publication is prepared for the use of US Government officials, and the format, coverage, and content are designed to meet their specific requirements.

Requesters outside the US Government may obtain subscriptions to publications similar to this one by addressing inquiries to:

**Documents Expediting (DOCEX) Project
Exchange and Gift Division
Library of Congress
101 Independence Ave., S.E.
Washington, DC 20540**

or: **National Technical Information Service
5285 Port Royal Road
Springfield, VA 22161**

Requesters outside the US Government not interested in subscription service may purchase specific publications either in paper copy or microform from:

**Photoduplication Service
Library of Congress
Washington, DC 20540**

or: **National Technical Information Service
5285 Port Royal Road
Springfield, VA 22161—
To expedite service, call the
NTIS Order Desk (703-487-4650)**

Comments and queries on this publication may be directed to the DOCEX Project at the above address or by phone (202-707-9527), or fax (202-707-0380), or to the NTIS Office of Customer Services at the above address or by phone (703-487-4660).



An Intelligence Monograph

The Chinese Media: More Autonomous and Diverse—Within Limits

by Todd Hazelbarth

Exceptional Intelligence Analyst Program

The views expressed in this study are those of the author. They do not necessarily reflect the views of the Central Intelligence Agency or any other government entity.

Information as of January 1997 was used in this study, with one exception: the material on Hong Kong drew on information as of July 1997.



CSI 97-10003
September 1997

Scope Note

This monograph on the Chinese media is drawn from the results of a one-year research project, undertaken as part of the 1995-96 DCI Exceptional Intelligence Analyst Program (EIAP). The author made two research trips to East Asia. His sources include correspondence and interviews with scholars, journalists, businessmen, current and former government officials, and other informed observers in both the United States and the region. He also drew on published materials, including press reports and official Chinese statistics.

This study is unclassified, but several sources who are cited prefer to remain anonymous. Therefore, some of the citations in the study are not specific. Unsourced statements of fact or opinion came from the types of sources noted in the above paragraph.

The Center for the Study of Intelligence, which manages the EIAP for the Director of Central Intelligence, is planning to publish further studies by future EIAP participants, addressing a wide range of topics.

Table of Contents

	<i>Page</i>
Scope Note	iii
Summary	vii
The Expanding Chinese Media	1
Television and Radio	1
Newspapers and Journals	1
Greater Autonomy	2
Media Reform	2
Diversified Content	2
What Lies Behind the Growing Autonomy and Diversity?	3
Greater Prosperity and Literacy	3
Ideological and Political Trends	3
Improvements in Personnel	10
New Technologies	11
Weakening of Party Controls	12
Party Resistance to Media Autonomy	13
Impact of Tiananmen Crackdown	13
Efforts To Reinforce Party Controls	14
The Party's Dilemma	15
Prospects	15
The Challenge of Credibility	15
The Challenge of Autonomy	15
Appendix A: The Media and the Three Gorges Dam	19
Appendix B: The Case of the <i>World Economic Herald</i>	21
Appendix C: The Role of the "Internal" Media	23

Summary

The Chinese media are becoming more autonomous and more diverse in political content. Long under the thumb of the ruling Communist Party and used almost entirely as a propaganda vehicle, China's media in recent years increasingly have been driven by the profit motive, inclined to pursue news of interest to the public, skeptical of party and government authorities, and confident of their own abilities and leverage. In their drive toward achieving greater autonomy and carving out a more complex role in Chinese society—a progression that has ebbed and flowed over the past 20 years—the media have been greatly aided by China's growing prosperity, widening literacy, adherence to market forces, deemphasis of ideology, and acquisition of new technologies.

At the same time, powerful domestic institutions continue to constrain the media, maintaining limits on what can appear in print or be broadcast on the airwaves. Indeed, in the author's judgment, complete media autonomy—including the publication and broadcasting of a full range of political viewpoints—will not materialize in the post-Deng Xiaoping era until and unless China undergoes overarching political change, including removal of the party's authority to supervise the media.

The Chinese Media: More Autonomous and Diverse—Within Limits

The Expanding Chinese Media

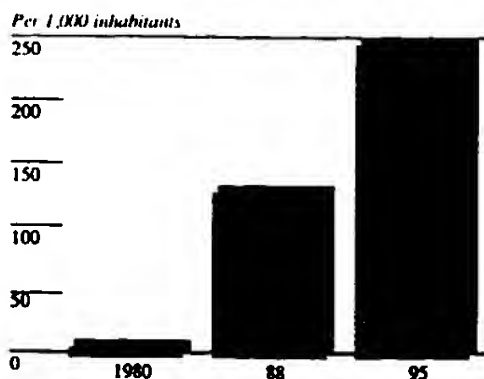
During the last two decades, China's print and broadcast media have expanded enormously. As the economy has developed and literacy rates have soared, a rise in the number of well-to-do, more discerning, and better educated citizens has created a market for a much greater range of information and points of view. These demands are being met by an expanding array of Chinese media organizations. Ever-increasing numbers of newspapers and magazines are addressing a growing list of both broad and narrow public issues. A large jump also has occurred in the numbers of television and radio stations.

Television and Radio

In 1978, China had less than one television receiver per 100 people, and fewer than ten million Chinese had access to a television set. Current estimates indicate that there are now about 25 TV sets per 100 people and that roughly a billion Chinese have access to television. Similarly, in 1965 there were 12 television and 93 radio stations in China; today there are approximately 700 conventional television stations—plus about 3,000 cable channels—and 1,000 radio stations.¹

Television broadcasting is controlled by Chinese Central Television (CCTV), the country's only national network. CCTV, which employs about 2,400 people, falls under the dual supervision of the Propaganda Department, responsible ultimately for media content, and the Ministry of Radio, Film, and Television, which oversees operations. A Vice Minister in the latter ministry serves as chairman of CCTV. The network's principal directors and other officers are appointed by the State. So are the top officials at local

Figure 1
China: Number of
Television Receivers



Sources: 1988, 1990, and 1995 *UNESCO Statistical Yearbooks*; *Book of China Broadcasting and Television*, annuals from 1985 to 1995.

355612AJ 6-97

In 1978... fewer than 10 million Chinese had access to a television set. [Today] roughly a billion Chinese have access to television.

conventional television stations in China—nearly all of which are restricted to broadcasting within their own province or municipality—that receive CCTV broadcasts.

CCTV produces its own news broadcasts three times a day and is the country's most powerful and prolific television program producer. It also has a monopoly on purchases of programming from overseas. All local stations are required to carry CCTV's 7 p.m. main news broadcast; an internal CCTV survey indicates that nearly 500 million people countrywide regularly watch this program.

Newspapers and Journals

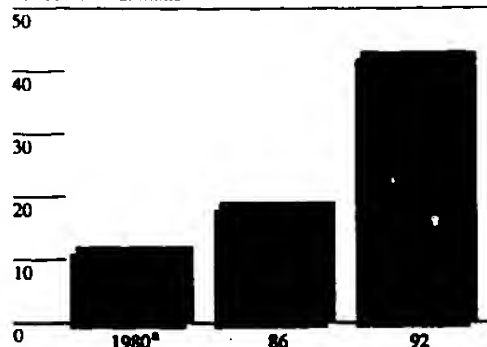
The number of newspapers in China has increased from 42—virtually all Communist Party papers—in 1968 to 382 in 1980 and more than 2,200 today. By one official

¹ Chinese Government statistics and July 1996 estimates by a Hong Kong-based Chinese media scholar. These and other figures in this study do not encompass data on Hong Kong; the figures were gathered prior to Hong Kong's return to Chinese sovereignty on 1 July 1997.

The number of newspapers in China has risen from 42—virtually all Communist Party papers—in 1968 to . . . more than 2,200 today.

Figure 2
China: Circulation of
Daily Newspapers

Per 1,000 inhabitants



^aEstimated by media scholars.

Source: 1988, 1990, and 1995 UNESCO
Statistical Yearbooks.

355611AJ 8-97

estimate, there are now more than 7,000 magazines and journals in the country. The number of copies of daily and weekly newspapers and magazines in circulation grew fourfold between the mid-1960s and the mid-to-late 1980s, reaching 310 million by 1987.²

These figures, moreover, underreport actual circulation, because many publishers use their own distribution networks rather than official dissemination channels and also deliberately understate figures to avoid taxes.³ In addition, some 25,000 printing houses and hundreds of individual bookstores produce and sell nonofficial material—mostly romance literature and pornography but also political and intellectual journals.

² Chinese Government statistics, October 1996.

³ From a US specialist's research on the Chinese media, May 1996.

Greater Autonomy

Media Reform

The media in China also are becoming more autonomous and more diverse. Since Mao Zedong's death in 1976 and the subsequent emergence of Deng Xiaoping (who died in February 1997) as the country's paramount leader, an overall climate of economic and social reform in China has been reflected in media content.

A prime example has been the party's flagship newspaper, *People's Daily*, which had been rigidly controlled under Mao, used against his enemies, and copied verbatim by every other newspaper in the country during the Cultural Revolution. This leading daily was reformed and enlivened in the late 1970s and early-to-middle 1980s by then editor-in-chief Hu Jiwei. Hu expanded the paper's size and coverage, encouraged public criticism through letters to the editor, called for promulgation of a press law to spell out journalists' rights, and introduced a sprightlier writing style.

Diversified Content

The media's growing autonomy has been reflected in their increasingly diversified content. Since the late 1970s, despite periodic reversals, Chinese media have frequently criticized party cadres and have published debates on such fundamental issues as the rule of law, freedom of the press, and universal human rights. They also have reported on a myriad of previously untouched social and lifestyle subjects. The only inviolable restrictions appear to be an unwritten ban on challenges to the party's right to rule and to the legitimacy and decisionmaking authority of top party leaders.

Talk Radio: The Freest and Liveliest Media.

Talk radio in China allows a much freer exchange of views than other media formats. In effect, talk radio has shifted the paradigm from authorities addressing the people to people addressing the authorities. For

example, until 1991 the 14 million inhabitants of Shanghai were served by only one radio station—Radio Shanghai—which primarily aired predictable, progovernment propaganda. In 1992, East Radio was established with a format that catered to citizens' individual concerns and deemphasized propaganda. Competition between the two Shanghai radio stations has resulted in much livelier coverage by both—including call-in programs that air discussions of politics, lifestyle, and previously forbidden social subjects. Because callers usually are not required to identify themselves, such discussions are far more candid than would be possible on television.⁴ Party officials regularly give guidance to the hosts and producers of talk-radio programs, but such guidance is usually ignored without penalty because party officials do not want to create problems by moving against these highly popular programs.⁵

Magazines and Journals. Chinese magazines and journals also have become much less inhibited in their coverage. These publications appear to enjoy more freedom than newspapers, which in turn have more leeway than radio (other than talk radio) and television. Chinese magazines now print internal police reports on jailings of religious leaders and other dissidents.⁶ The State is unwilling to shut down such publications because it worries about public reaction, is anxious to avoid drawing more popular attention to the magazines, and knows that its own resources are already stretched thin.⁷

Chinese journalists in Hong Kong on occasion have written politically controversial articles for mainland intellectual journals without encountering problems. Such opportunities

have abounded because of the range of publications on the mainland and because party officials there are too busy with weightier matters to review such journals systematically.⁸

Since the return of Hong Kong to China's control in July 1997, however, apprehensions have grown among Hong Kong journalists that Beijing will curtail their freedom to write articles not to its liking. (See inset on the Hong Kong media on page 5.)

What Lies Behind the Growing Autonomy and Diversity?

Greater Prosperity and Literacy

China's rapid economic development, as well as educational advances leading to greater literacy, have been important reasons for the dramatic expansion of the Chinese media and the diversification of coverage.

- Per capita gross domestic product, as measured in 1990 yuan, has increased fourfold since 1980.⁹ Rising disposable incomes have freed many Chinese from worrying about the basics of survival and provided them the wherewithal to purchase more television sets, newspaper and magazine subscriptions, and—more recently—satellite dishes and computers.
- Rising literacy rates have produced tens of millions of additional readers in the past decade, creating ever-expanding markets for the print media. According to UN statistics, China's adult literacy rate rose from 65.5 percent in 1982 to 81.5 percent in 1995.

Ideological and Political Trends

Other overarching factors that are helping to make the Chinese media more autonomous and diverse include a general decline in the influence of political ideologies and systems of

Since Mao Zedong's death in 1976 and the . . . emergence of [the late] Deng Xiaoping as the country's paramount leader, an overall climate of economic and social reform in China has been reflected in media content.

⁴ From research by a US Chinese media specialist, published in 1995, and additional correspondence in April 1996.

⁵ Interview with a former mainland Chinese broadcast journalist, June 1996.

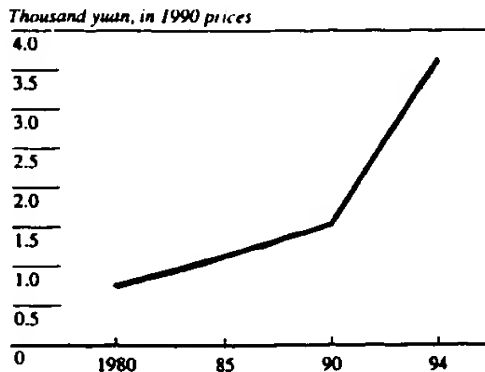
⁶ Interview with a human rights activist.

⁷ Interview with a Western nongovernmental organization leader in Hong Kong, June 1996.

⁸ From an interview with a former mainland Chinese press reporter now living and writing in Hong Kong, June 1996.

⁹ *International Financial Statistics Yearbook*, 1996

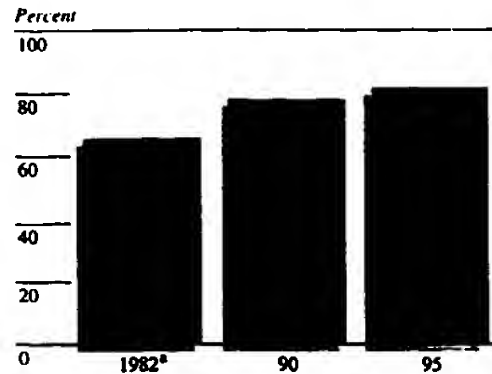
Figure 3
China: Per Capita GDP



Source: *International Financial Statistics Yearbook*, 1996.

355613A1 9-97

Figure 4
China: Adult Literacy Rates



^a Estimated by relevant scholars.

Sources: 1988, 1990, and 1995 *UNESCO Statistical Yearbooks*.

355614A1 9-97

belief; growing Chinese popular skepticism toward authority; increased contact with the West; greater competition in the media market; ebbing government resources; improved professional training for journalists; and new communication technologies.

Weakening of Ideological Shackles. The waning influence of Marxist-Leninist-Mao Zedong thought has weakened the State's ability to use the media to shape public attitudes and has made it harder for the authorities to penalize the media for publishing material that is not strictly consistent with Marxist theory. Although Marxism remains China's official doctrine, the deemphasis of ideology has strengthened the media's hand in two fundamental ways: it has helped undercut government efforts to indoctrinate the public and micromanage the content of political and social reporting in the media, and it has opened the door for the media to pursue capitalist marketing practices that respond to

customer wants and bring increasing financial independence from the State.

Other practices that are emerging in China, such as decisionmaking based on verifiable data and stronger quality controls on information, also have helped dilute the impact of ideology. In a change driven by the dual need for scientists to have reliable data with which to work and for the business sector to use in making investment and commercial decisions, the State Statistical Board since the mid-1980s has gained increased power to acquire and disseminate data for media and business use, reducing or eliminating the hitherto common practice in which each sector used "its own" data.¹⁰

Skepticism Toward Authority. Although difficult to quantify, growing skepticism toward

¹⁰ US China scholar.

The Hong Kong Media: Adjusting to Chinese Rule

Even before Hong Kong's reversion to China's control on 1 July 1997, the then British colony's Chinese-language media began adjusting to the new realities. Officials in Beijing had been promising for months that press freedom in Hong Kong would be retained, but a *People's Daily* article in May warned the Hong Kong media to exercise self-restraint. The article asserted that "the majority of Hong Kong residents and most journalists" recognize that moral values and social responsibility require limits on what can be broadcast or printed.

Several developments since 1 July suggest Beijing is trying in a relatively low-key way to undercut the Hong Kong news media. The Hong Kong Journalists Association has complained to the former colony's new chief executive, Tung Chee-hwa, that mainland media representatives there are being afforded privileges that are withheld from local media organizations. For example:

- A Chinese Central Television crew was allowed to film a visit by Tung to a Hong Kong-based Chinese naval garrison, according to Hong Kong journalists, whereas local broadcasters were excluded.
- Hong Kong journalists complained that when Tung met with a senior Chinese Foreign Ministry official in Hong Kong, reporters from the Xinhua news agency were given details of the discussions but those from local media organizations were not.

Many Hong Kong journalists clearly are uneasy about what the reversion to Chinese control will mean for their ability to do their jobs. A veteran reporter in Hong Kong stated recently that, although he has witnessed no overt government censorship, his pressroom colleagues have voiced considerable pessimism—mostly in private—about whether they will be permitted to write on topics deemed offensive to Beijing. He also said that journalists who in the past have frequently ghost-written for some of the more controversial mainland publications have become more cautious since reversion because they fear becoming targets of a crackdown. In short, there appears to be an unwritten understanding among many reporters in Hong Kong that self-censorship is now the order of the day.

As of July, few if any reporters had tested the waters by writing on sensitive subjects such as local criticism of the stationing of mainland Chinese troops in the former colony. Nonetheless, some Hong Kong journalists in the months ahead may well probe the new limits, writing or televising on some issue in a way that presents the ex-colony's new rulers with the problem of how to respond. The Chinese authorities know that if they adhere to their pledge to tolerate relatively free media in Hong Kong, at least some media on the mainland would press harder for a relaxation of restrictions on them.

Journalists were active participants in the 1989 demonstrations that culminated in the calamitous events at Tiananmen Square.

authority in China appears to be spurring public support for media criticism (often indirect and carefully couched) of the State and slowly diluting the legitimacy of the party. This rise in skepticism is reported by informed observers to be occurring all across East Asia. Such observers point to increased publicity given to cases of official corruption, malfeasance, and ineptness—along with broader declines in social values such as civility and respect—as at least partly responsible for greater media and popular doubts about elected and appointed officials as compared to the past. At the same time, public skepticism of authority can and often does include skepticism toward the media themselves. Journalists, like individuals in other sectors of Chinese society, are far less willing than in the past to submit blindly to authority. Journalists were active participants in the 1989 demonstrations that culminated in the calamitous events at Tiananmen Square. The Tiananmen episode made it all but impossible to reconcile the growing desire of Chinese journalists for control over their own profession with the party's interest in not letting that happen.

Contact with the West. Closer and more varied contact with the West appears to be increasingly influencing educated urban opinion in China on concepts such as a free press, freedom of speech, and political pluralism. This phenomenon is consistent with trends elsewhere in East Asia, where principles such as freedom of expression and legal guarantees of individual rights are playing a growing role. Perhaps most interestingly, many Chinese journalists trained or educated in the West appear to have an outlook that is much closer to Western ideals of media freedom than to the attitudes of other Chinese, although a gap persists between China and the West in professionalism and in grasping the principles of objective journalism.

Virtually all foreign reporters in China operate under restrictions that are considerably more

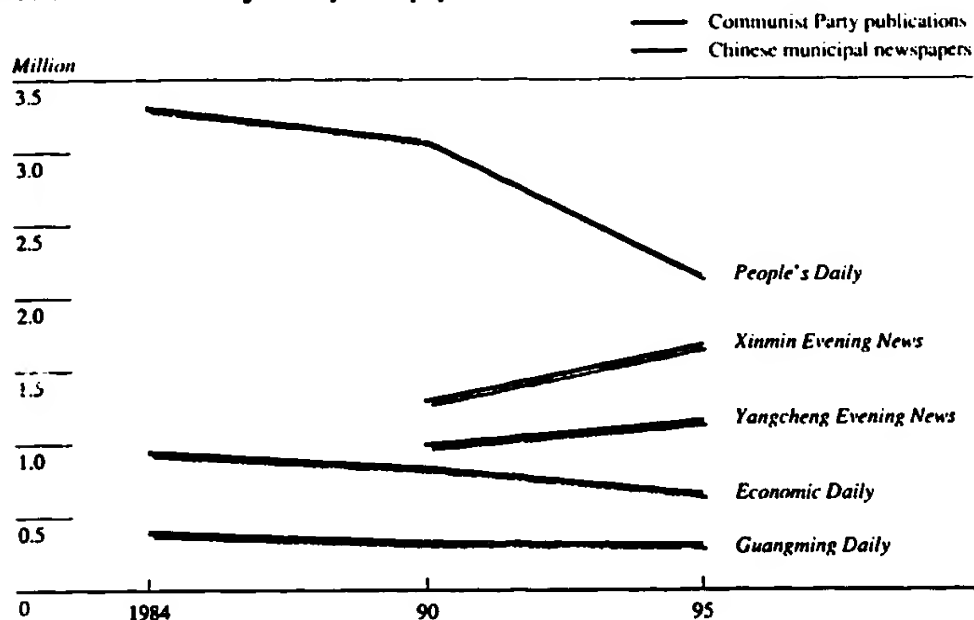
severe than in most Asian countries. One result is that Western media influence on Chinese media organizations as a whole is generally limited. Nonetheless, the contacts that do occur are having an impact on individual Chinese journalists, according to people interviewed for this study. In particular, one observer noted that younger reporters who have measurable, if cautious, contact with the West generally show minimal trust in official sources of information, are inclined to discount propaganda, and are determined to be comprehensive in their reporting.¹¹

Market Competition. Intense competition for the media market is among the most important factors behind the emergence of more diverse and autonomous media in China. As indicated earlier in this study, efforts by the Chinese media to respond to an increasingly demanding print and broadcast market have created an expanding spectrum of media products ranging from serious news journalism to purely entertainment stories. Monetary rewards for meeting such demands continue to grow, resulting in greater financial autonomy for the growing numbers of Chinese media firms that win sizable market shares. As a result, these companies are able to hire and retain more and better journalists, further boosting their capacity to compete.

Commercialization thus has been a major liberating force for the media in China. The regime is far less able than before to wield financial leverage over the media, which have increasingly become self-supporting through advertising revenues and circulation. According to one estimate, advertising in all media forms increased 35-fold between 1981 and 1992. Print ad revenues jumped ten times between 1990 and 1995—from 1.5 billion yuan to 15 billion yuan.

¹¹ From correspondence with a former Chinese journalist now living in the United States, May 1996.

Figure 5
China: Circulation of Major Daily Newspapers



Sources: *China News Almanac*; China Press and Publication Administration official figures.

355616AI 9 97

The regime is far less able than before to wield financial leverage over the media, which have increasingly become self-supporting through advertising revenues and circulation.

Television revenues also are growing dramatically: they totaled about \$2 billion in 1995 (see table 1) and are expected to rise above \$6 billion by 2005.¹² In 1995, Chinese Central Television earned nearly \$150 million in advertising revenue, covering almost 90 percent of its total costs.¹³ In the past, Chinese radio and television tended to run well behind the print press in their news coverage.¹⁴ More recently, television has come under market pressure to be as timely, informative, and responsive as the print media.

Competition from outside mainland China has further impelled domestic media organizations

to become more diverse, assertive, and skeptical of official authority. For example, in order to compete against higher quality Hong Kong radio stations that could be heard in Guangdong Province, Guangdong radio managers created Pearl River Economic Radio (PRER) in 1986. PRER, copying Hong Kong radio's approach, began to emphasize daily life, entertainment, "celebrity" deejays, and caller phone-in segments, while eliminating ideological, preachy formats that included little information beyond what was provided by government sources. By 1987, PRER had obtained 55 percent of the Guangdong market; previously, Hong Kong radio stations had held 90 percent of this market. Local party cadre in southern China reportedly are unhappy about PRER, mainly

¹² From Reuters, 18 May 1996.

¹³ From FBIS, 5 April 1996.

¹⁴ From the published work of a Western journalist, 1991.

Snapshot: Newspapers in Sichuan Province

Commercial competition is a driving force in the newspaper industry in Sichuan, China's most populous province. Over 100 newspapers—as well as an unknown number of magazines and television and radio stations—vie for the time, attention, and money of the province's more than 100 million inhabitants.

Managers of the four major local newspapers sold in the province—*Sichuan Ribao*, *Chengdu Wanbao*, *Shubao*, and neighboring Guizhou Province's *Guizhou Ribao*—all say that advertising rather than State subsidies is their newspapers' main source of revenue—90 percent of the total in the case of *Shubao*. Both *Sichuan Ribao*—the official organ of the Sichuan Provincial Party Committee—and *Chengdu Wanbao*, voice of the Chengdu Municipal Party Committee, have reported losing money on the sale of papers but have more than compensated for such losses with advertising revenues. According to US officials, the *Chengdu Wanbao* editor seemed to regard his paper as more a business than a journalistic organization. *Sichuan Ribao* managers have established or acquired five other newspapers in the province in an effort to raise revenues—as well as to satisfy reader interests and concerns that are not addressed by party papers.

Editors at the four leading local newspapers say the content of their papers is much more varied than even as recently as five years ago. This diversity reportedly has been achieved primarily by expanding the size of the newspapers rather than by sharply curtailing the portions that are devoted to Communist Party news—although party content has been cut back somewhat. *Chengdu Wanbao*'s editor in chief has acknowledged tension between covering required party notices, speeches, and *People's Daily* and Xinhua (the New China News Agency) editorials on the one hand, and human interest stories with much greater reader appeal on the other.

The rule of thumb on flexibility in responding to party requests appears to be that the farther geographically the paper is from national and provincial authorities, the greater its leeway. For example, the provincial newspapers *Sichuan Ribao* and *Guizhou Ribao* reportedly have less flexibility in determining what party-generated stories to run than does the municipally operated *Chengdu Wanbao*. *Shubao*, also a local paper, appears to have the most flexibility of the four, targeting students, intellectuals, and teachers in the cities of Chengdu and Chongqing and sometimes excluding coverage of party events that its provincially run competitors cannot ignore.

because some of the station's commentators, as well as its talk radio programs, highlight party failures and the misdeeds of individual party members in the region.¹⁵

¹⁵ From a Hong Kong media scholar's research, published in February 1994, plus an interview with this scholar in Hong Kong, June 1996.

The top national Chinese Communist Party papers (*People's Daily*, *Guangming Daily*, and *Economic Daily*)—which mostly feature party speeches, announcements, propaganda, and policy viewpoints—are steadily losing circulation and much-sought advertising revenues to evening municipal papers that have far more diverse content (see figure 5). For example, *People's Daily*'s circulation fell from

Table 1
China: Top Newspapers in
Advertising Revenue

Million yuan

- ☐ Official Communist Party newspaper
☐ Chinese municipal publication

1988	
<i>Xinhua Daily</i> ^a	84.5
<i>People's Daily</i>	23.5
<i>Liberation Daily</i>	16.8
<i>Wenhui Daily</i>	16.8
<i>Yangcheng Evening News</i>	16.8
<i>Guangzhou Daily</i>	15.0
<i>Beijing Daily</i>	13.2
<i>Guangming Daily</i>	13.0
<i>Xinmin Evening News</i>	13.0
<i>Nanfang Daily</i>	10.3
<i>Shenzhen Daily</i>	10.3
<i>Tianjing Daily</i>	10.0
<i>Economic Daily</i>	9.1
<i>Zhejiang Daily News</i>	N/A

1995	
<i>Guangzhou Daily</i>	500.0
<i>Yangcheng Evening News</i>	460.0
<i>Xinhua Daily</i> ^a	385.0
<i>Beijing Daily</i>	250.0
<i>Liberation Daily</i>	220.0
<i>Shenzhen Daily</i>	200.0
<i>Nanfang Daily</i>	150.0
<i>Wenhui Daily</i>	130.0
<i>Xinmin Evening News</i>	128.0
<i>Zhejiang Daily News</i>	122.0
<i>People's Daily</i>	110.0
<i>Guangming Daily</i>	90.0
<i>Economic Daily</i>	82.0
<i>Tianjing Daily</i>	N/A

^aIncludes revenue from associated publications.

Sources: *China Advertising Yearbook*, 1988 and 1989,
and estimates by a Hong Kong media scholar.

355617A1 9-97

Table 2
China: Comparison of Per Capita
Advertising Revenues, 1994

☐ Official Communist Party newspaper
☐ Chinese municipal publication

Million yuan

	Staff	Revenue	Per Capita Revenue
<i>Economic Daily</i>	660	70	.106
<i>People's Daily</i>	2,550	103	.040
<i>Xinhua Daily</i> ^a	670	340	.508
<i>Guangzhou Daily</i>	564	480	.851
<i>Xinmin Evening News</i>	455	370	.813
<i>Yangcheng Evening News</i>	650	445	.685

^aIncludes revenue from associated publications.

Sources: *China Advertising Yearbook, 1995*; *China Journalism Yearbook, 1995*;
 other data as received from Hong Kong-based China media scholar.

35561BAI 9-97

3.1 million copies a day in 1990 to 2.2 million in 1995; the paper's 1994 advertising revenues were down as well. Moreover, its subscriptions consist overwhelmingly of mandatory ones by party and government organizations. Similarly, the *Liberation Army Daily* has become almost entirely dependent on State subsidies. Its circulation has fallen from 1.7 million in 1981 to fewer than 500,000 at present.

By contrast, the circulation of the *Xinmin Evening News*, operated by the Shanghai Municipal Government, has risen from 1.3 million to 1.7 million over the same time period. The *Guangzhou Daily*, owned by the Guangzhou Municipal Government, doubled its circulation in six years to 600,000 in 1994, and its ad revenues also were up.¹⁶

Improvements in Personnel

The media also have attracted and are retaining more competent people than before. Journalism is widely seen as a more promising career field than in the past, while government work has lost much of its allure as other opportunities open up. At the same time, the explosion of business and entrepreneurial opportunities in recent years has complicated efforts by both the media and the government to attract good people. Journalism and government both face stiff competition from the relatively high salaries and profits available in the business sector. But the rising popularity and profitability of metropolitan evening newspapers offer the prospect that higher quality, better paid jobs in journalism will expand in the years ahead.

¹⁶ From the unpublished research of—and an interview with—a Hong Kong media scholar, June 1996.

Improved training, more education, and higher professional standards are bolstering the skills

and confidence of journalists across East Asia, better positioning media organizations to gain positions of influence in their societies. Although Chinese journalists only recently have begun to participate in these opportunities, there is some evidence that such training is having an effect. Many of the young Chinese journalists being trained at US and other universities and professional programs in the West have been characterized by their trainers as "smart," "aware," and devoted to the profession.¹⁷

Beginning in the 1980s, it became necessary in most cases for reporters to have a college education, and often a university degree, to get good jobs with the top party newspapers. The highly profitable evening papers, sponsored in the main by municipal governments, usually also require a college education.¹⁸

New Technologies

Technical advances in the field of communications are undercutting Chinese Government efforts to control media content and are likely to play an even-greater role in the future. In China and other developing countries, even fairly basic technologies present a challenge to autocratic governments intent on controlling the information their citizens can receive. For example, importing fax machines—which are frequently used to spread copies of politically incorrect material from overseas news sources, internal party domestic publications, and more obscure domestic media—is strictly illegal in China, but corruption in the form of payoffs and favors to officials hinders efforts to control such imports.¹⁹

¹⁷ From interviews and correspondence with four US and third-country educators and professional journalists, February-March 1996, June-July 1996, and December 1996.

¹⁸ From unpublished research by a Hong Kong media scholar, July 1996, and an interview with a former mainland Chinese journalist in Hong Kong, June 1996.

¹⁹ Interview and follow-up correspondence with a former mainland Chinese journalist now living in Hong Kong, June-September 1996.

Cable TV. Residents of the Chinese mainland now receive more than 20 outside television channels by satellite, including Chinese-language services of CNN, Star TV, and the United States Information Agency. In the southern province of Guangdong, 97 percent of the households have television sets, and all—except those in a few parts of the city of Guangzhou where reception is poor—have access to Hong Kong television through cable networks. Some local stations even intercept the signals and insert their own commercials. Beijing is unable to effectively monitor, let alone control, the illicit cable operators who have sprung up since the early 1990s. As of 1995, about 1,000 of the 3,000 cable stations in China, linked to perhaps 50 million homes, were unlicensed.²⁰

Satellite Dishes. Satellite dishes in mainland China that pull in programs from Hong Kong, Taiwan, and other places are regulated, but government entities such as the Ministry of Machinery Industry and the military services produce such dishes outside allowable quotas and guidelines and then sell them illicitly to eager customers. Efforts by the Ministry of Radio, Film, and Television to halt this practice have been ineffective, mostly because of the large profits involved—up to 50 percent per dish.²¹ Indeed, the government has backtracked in its efforts to stop these practices—moving from an outright ban on satellite dishes (1993), to requiring that they be licensed (1994), to specifying allowable programs and viewing hours (1995).

Internet. Widening Chinese use of the Internet also is undercutting government efforts to control the flow of information. More than 100,000 people in China now have Internet access, and the figure is likely to surpass one million within four years, according to a Chinese specialist on the subject.

²⁰ Western press.

²¹ Interview with a Hong Kong-based Chinese media specialist, June 1996.

Government entities . . . and the military services produce [satellite] dishes outside allowable quotas and guidelines and then sell them illicitly to eager customers.

Widening Chinese use of the Internet also is undercutting government efforts to control the flow of information.

Through the Internet, residents of China can get uncensored news from the Chinese News Digest, an on-line service created by Chinese volunteers in the United States and Australia.²² This service carries information on such issues as trials of prominent dissidents, developments in Taiwan, and divisions among the party's top leaders. A Western specialist on Internet in China has noted that about one-fifth of the more than 500,000 personal computers sold there in 1994 were designated for installation in residences, where it is especially difficult for the State to limit Internet use.²³

Since the beginning of 1996, the State has suspended all new applications from Internet service providers seeking to commence operations in China; moved to put all existing Internet services under the jurisdiction of the Ministry of Posts and Telecommunications, the Ministry of Electronics Industry, and the State Education Commission; and attempted—without much success—to establish firewalls, limit the contents of home pages, and block access to certain Internet sites through routing filters.²⁴ Government officials are worried that, as the number of Chinese homes with telephone lines grows from the present level of less than four percent, the State will become totally unable to monitor Internet access at residences.

Weakening of Party Controls

Over the last decade, the ways in which the Chinese Communist Party does its business—especially the introduction of reforms aimed at decentralizing power—have spurred greater media autonomy in several ways:

- *The growth of "peripheral"—local and some regional—media.* This trend has decentralized and dampened party oversight. In general, the farther reporters and media organizations are from Beijing

and important provincial capitals, the greater their leeway.²⁵

- *A shift toward administrative and legal regulation of the media and away from more fluid and personal oversight.* Party efforts to rely on regulations rather than whim to try to control the media—as evidenced by the dozens of directives set forth when the State Press and Publications Administration was created in 1987, and by new regulations in 1990 and 1994—probably were intended to tighten party control, making it a matter of law rather than personal relationships. In fact, however, these regulations came at a time when official resources were being stretched more thinly and individual officials were becoming less willing—and less able—to enforce regulations.
- *Vicissitudes of media acceptability.* Since the early 1990s, the types of media coverage deemed acceptable by the regime have risen sharply. Growing uncertainties about what is allowable and what is out of bounds generally have worked in the media's favor.

Chinese provincial broadcasters increasingly are trying to identify subjects on which the party will allow them more autonomy. Recent demands—unmet thus far—by such broadcasters include seeking authority to carry international news, to contract out television and radio programming to nongovernment organizations, and to explore possibilities for quasi-private media ownership.²⁶

As State resources have become stretched more thinly, the media have found it far easier than before to print and broadcast material that falls within vaguely defined gray areas. Officials are too few, too busy, and often too incompetent to be able to micromanage the media as in the past. Prior to the 1990s, it was

²² Correspondence with a US scholar, May 1996.

²³ From interview with a Western scholar now living in Japan, July 1996.

²⁴ Diplomatic reporting from Beijing, 1996, and an interview with a Chinese media scholar in Hong Kong, June 1996.

²⁵ From a Hong Kong-based Chinese media scholar's research, June 1996.

²⁶ From research by a Hong Kong media scholar, published in April 1996.

common for party and government officials to participate in the actual drafting of newspaper editorials. Now, for the most part, these officials merely discuss editorial policies with newspaper managers.²⁷

In the past, prime-time news in state-owned Chinese Central Television (CCTV) was routinely examined, prior to airing, by the Ministry of Radio, Film, and Television. Since 1994, however, the Ministry has ceased to prescreen CCTV news programs; now the programs are examined after they have aired.²⁸ The diversity and quantity of material, moreover, have compelled officials to prioritize their reviews of broadcasts; the 7:00 p.m. news broadcasts, for instance, receive far more attention from the authorities than does the midnight news.²⁹ In another manifestation of weakening government controls, recently launched news programs such as CCTV's Focal Report and Beijing Television's Express News include moderate criticisms of the party and government and explore some controversial public topics in an effort to make programs relevant to—and more popular with—viewers.

Evidently recognizing the limits on their ability to maintain tight control over an industry that has been expanding rapidly, party leaders during the last decade have publicly acknowledged the need to establish priorities. In particular, they have spoken of the high priority attached to maintaining control over the "big media"—national party papers and central and provincial TV and radio stations.

Many Chinese officials appear anxious to avoid confronting the media because they are

afraid they will be accused of transgressions in newspapers, in magazines, or on television or radio. As media autonomy has expanded, print and broadcast organs have tried to flex their "independence," albeit cautiously, in their coverage of State activities. Such coverage often focuses on specific government officials suspected of illegal actions, including use of their authority for personal gain.

Although the media's leverage stems mostly from officials' worries that rival insiders will use such publicity against them, it also appears to reflect growing respect within Chinese officialdom for the emerging influence of public opinion. A case in point is the *Beijing Youth Daily*. This paper has been punished for criticizing government actions and policies, but the authorities have stopped short of shutting it down, almost certainly out of reluctance to antagonize the paper's expanding readership.

Party Resistance to Media Autonomy

Although the trend in China clearly is toward greater media autonomy and diversity and away from government control and intimidation, crosscurrents of resistance persist. Powerful domestic institutions still constrain efforts by the media to become more autonomous and politically diverse.

Impact of Tiananmen Crackdown

Journalists were actively involved in the Tiananmen Square demonstrations in the spring of 1989. About 1,000 of the 1,600 editors and staffers at *People's Daily* joined the demonstrations. Reporters also took part in marches and gatherings across the country from early May until early June, when the crackdown began. Journalists were among the principal targets of the suppression: hundreds of them were arrested or fired, and thousands, including more than 500 staffers at *People's Daily*, were forced repeatedly to write lengthy self-criticisms and to participate in much-loathed small group meetings. According to

Coverage often focuses on specific government officials accused of illegal actions, including use of their authority for personal gain.

²⁷ From an interview with a former mainland Chinese journalist now teaching in Hong Kong, June 1996.

²⁸ From correspondence with a former Chinese journalist now living in Canada, May 1996.

²⁹ In a 1995 survey by a Hong Kong-based media scholar, less than two percent of the content of the main CCTV news program at "prime time" (7 p.m.) was negative from the regime's standpoint as compared with more than 60 percent for CCTV's less-widely-viewed midnight news broadcast.

The government . . . continues to make clear that criticism of certain fundamental policies—such as those on . . . Taiwan and Tibet, and on Hong Kong's future—are off limits.

one account, more than 20 journalists were still in Chinese prisons as of mid-1996.³⁰

Beyond those arrested for their involvement in protests, the party also decided to punish—mainly by demotion or transfer—one percent of all staff members in major Beijing media offices as a warning to others.³¹ Although the Tiananmen crackdown damaged morale among Chinese journalists, journalists' spirits recently have begun to rebound as a result of increasing party tolerance of (and inattention toward) diversity in the media, as well as improvements in journalists' salaries and benefits.³²

Efforts To Reinforce Party Controls

Beijing still tries to compel the media to report favorably on government activities and to limit negative coverage of official policies and actions. Neither the Chinese Constitution—promulgated in 1982—nor the Communist Party-directed judiciary provides the media with meaningful legal protection from the State. Although Article 35 of the Constitution guarantees Chinese citizens the rights of free speech, press, and assembly, in reality citizens do not have such rights. The authorities in Beijing continue to give precedence to the principles enunciated in the Constitution's preamble—including upholding Marxism-Leninism-Mao Zedong thought and the party's leadership role.³³

The lack of an independent judiciary further hampers efforts by the media to mount court challenges against restrictions on media activities. The party appoints judges, and the position of the courts is merely equal to—not above—that of the bureaucracy.

The government uses a variety of approaches to retain some control over the media:

- It requires that newspapers be registered and attached to a government ministry, institute, research facility, labor group, or other State-sanctioned organization. Entrepreneurs cannot establish newspapers or magazines under their own names, although they reportedly have had some success in setting up research institutes and then creating publications attached to those bodies.³⁴
- It still occasionally jails or fines journalists for unfavorable reporting.
- It imposes other punishments when it deems that criticism has gone too far. For example, it shut down the magazine *Future and Development* in 1993 for publishing two articles calling for greater democracy in China, and it forced the firing of the *Beijing Youth Daily's* editor for aggressively covering misdeeds and acts of poor judgment by party cadre.³⁵
- It continues to make clear that criticism of certain fundamental policies—such as those on Chinese sovereignty over Taiwan and Tibet and on Hong Kong's future in the wake of its 1 July 1997 return to Chinese sovereignty—are off limits.
- It has set up numerous official journalists' associations—the largest is the All-China Journalist Federation, with more than 400,000 members—so that no single organization can develop major autonomous power.³⁶

³⁰ From an interview with the director of a Western nongovernmental organization operating in Hong Kong, June 1996.

³¹ From research, published in 1995, by a US specialist on the Chinese media.

³² From interviews with two former Chinese journalists, June and July 1996.

³³ Correspondence with a US legal scholar on China, April 1996.

³⁴ Correspondence with a Western nongovernmental organization representative, September 1996.

³⁵ From an interview with a Chinese media specialist who has close contacts inside the *Beijing Youth Daily*, August 1996.

³⁶ According to an informed observer.

The government also exploits a longstanding hierarchical relationship among Chinese print and broadcast entities in seeking to maintain some control over the media. It appoints the leaders of the most powerful media institutions, and then uses these organizations to try to dominate the rest of the media countrywide.

The Party's Dilemma

As they continue their efforts to retain control over the media, the Chinese authorities face a conundrum: They would like the State-run media to be financially self-sufficient rather than a drain on government resources, but they recognize that such self-sufficiency can lead to greater autonomy. Worries about the trend toward greater media freedom apparently spurred President and General Secretary Jiang Zemin to make a high-profile visit in October 1996 to *People's Daily*, where he called for continued ideological vigilance and loyalty to party dictums. Concurrently, a party plenum passed a resolution calling on journalists to maintain party discipline and political loyalty.

Prospects

The evidence presented above reflects a mixed picture. On the one hand, the media are growing in size, diversity, and autonomy. At the same time, the regime is trying to find ways to cope with these trends. As this struggle continues, the Chinese media over the next few years can be measured by two yardsticks: credibility and autonomy.

The Challenge of Credibility

Over the long run, a nation's media can influence popular attitudes only to the extent that the media are believed and trusted. Although survey data are limited, the degree of public trust in and respect for the media in China appears to have remained low despite all the changes that have occurred. Chinese public attitudes toward the media historically have been negative because of the media's

traditional close identification with the State. Openly touted by regime leaders as a tool of the party since the early days of Communist rule, the media still are not generally trusted or believed by the public, according to limited data:

- One 1988 query on media credibility—at a time when relative openness of political expression permitted such surveys—found that among 2,000 prominent Beijing citizens, more than 90 percent believed the Chinese media did not adequately address citizens' concerns, 87 percent felt that reporting on political subjects was skewed, and 75 percent thought the media emphasized propaganda over factual reporting.
- A separate People's University survey of 1,800 Chinese journalists in 1988 found that only one percent thought the Chinese public believed what was reported in the print and broadcast media.³⁷

As China's media strive to become more responsive to the public, popular trust of the media should rise. This may already have begun to happen with regard to television. More than 60 percent of respondents in a 1993 survey in Guangdong Province opined that Chinese television views were "more credible" or "much more credible" than ten years earlier.³⁸

The Challenge of Autonomy

While enjoying some success in escaping the State's once-iron grip, the Chinese media appear to have become more susceptible to the influence of business. The practice of businesses or wealthy individuals paying Chinese reporters for favorable coverage has become endemic in recent years.³⁹ Another ex-Chinese journalist notes that substantial sums are given to party papers by Chinese

While enjoying some success in escaping the State's once-iron grip, the Chinese media appear to have become more susceptible to the influence of business.

³⁷ From the published work of a US scholar on China, 1995.

³⁸ From a Hong Kong-based media scholar's unpublished research, 1994.

³⁹ An interview with a former mainland Chinese journalist now living in Hong Kong, June 1996.

China's Media Network: The Top Rungs

Xinhua (the New China News Agency) and *People's Daily*, the two most important print media, have status as separate government ministries; their directors sit on the party's Central Committee. Just below, hierarchically, are the two national newspapers under the control of the Propaganda Department—the *Guangming Daily* and the English-language *China Daily*. These entities have the rank of vice ministries, as does the State Council-controlled *Economic Daily*. The National Propaganda Department appoints publishers, chief editors, and other key officials of the above-mentioned newspapers—plus a few others—while provincial and local party leaders make similar appointments for party papers in their jurisdictions.^a

In many ways, Xinhua is the fuel propelling China's print media. Perhaps unique in the world because of its role, size, and reach, Xinhua reports directly to the party's Propaganda Department; employs more than 10,000 people—as compared to about 1,300 for the UK's Reuters, for example; has 107 bureaus worldwide both collecting information on other countries and dispensing information about China; and maintains 31 bureaus in China—one for each province plus a military bureau. Inasmuch as most of the newspapers in China cannot afford to station correspondents abroad—or even in every Chinese province—they rely on Xinhua feeds to fill their pages. *People's Daily*, for example, uses Xinhua material for approximately 25 percent of its stories.^b Xinhua is a publisher as well as a news agency—it owns more than 20 newspapers and a dozen magazines, and it prints in Chinese, English, and four other languages.

Like other government entities, Xinhua is feeling the pinch of reduced State financial subsidies. Beijing has been cutting funding

to the news agency by an average of seven percent per year over the past three years, and State funds currently cover only about 40 percent of Xinhua's costs.^c As a result, the agency is raising revenues through involvement in public relations, construction, and information service businesses.

In the past, Xinhua was able to attract the top young journalists emerging from the universities or otherwise newly entering the field, but it can no longer do so as easily because of the appeal and resources of other newspapers and periodicals and the greater glamour of television and radio jobs. For example, midlevel reporters for the *Xinmin Evening News* often are given an apartment, whereas at Xinhua and *People's Daily* this benefit is reserved for the most senior journalists.^d

Like many other media organizations, Xinhua struggled to find the "right line" to use in covering the Tiananmen Square events of April-June 1989. Although more cautious than *People's Daily* in its treatment of sensitive topics during that period—such as how to commemorate reformist Communist Party leader Hu Yaobang's April 1989 death, the then ongoing demonstrations in Beijing and elsewhere, and basic questions of press freedom and individual rights—Xinhua gave some favorable coverage to demonstrators and intellectuals who were questioning top party leaders. Even so, many Xinhua reporters were angry with top editors for not going far enough and for suppressing stories about the Tiananmen Square crackdown.^e For several days after the violence on 4 June, almost no one at Xinhua did any work, and journalists demonstrated inside the Agency's Beijing compound.

^c UPI, 9 July 1996.

^d Interview with a Hong Kong-based media scholar, June 1996.

^e Correspondence with a Western journalist, May-June 1996.

^a Interview with a former mainland Chinese journalist in Hong Kong, June 1996.

^b From the published work of a US scholar, 1995.

businessmen and other well-heeled individuals based in Hong Kong or Taiwan who believe they have a stake in helping the government maintain stability. Such payoffs reportedly involve not only cash but also gifts of various kinds; arrangements for helping children of senior editors and reporters get into good schools; and coverage of journalists' meals, hotels, and transportation.⁴⁰

Complete media autonomy from the State—including the publication of a full range of political viewpoints—is highly unlikely to materialize in China in the near future, if ever. Such autonomy would require the removal of the Communist Party's authority to supervise the media. Moreover, constitutional guarantees—with real teeth—of press freedom and individual political expression and a thoroughgoing overhaul of the government-controlled judiciary would be required for a genuinely independent media sector to emerge in China.

Without autonomy, the Chinese media probably will continue to lack wide credibility, hampering their effectiveness as a force for political transformation. Nevertheless, the evidence above suggests that the evolutionary reform in the media now taking place will continue as China's economy and social structure change. The media will continue to pose problems for government policies and could again, as they did in 1989, contribute to popular agitation for political change. In short, the dynamic tension between the media and the State is likely to continue in China well into the future.

⁴⁰ An interview and subsequent correspondence with a former mainland Chinese journalist now living in Hong Kong, June-October 1996.

Appendix A

The Media and the Three Gorges Dam

Since 1989, China's rulers have barred adverse domestic media reporting on the Three Gorges Dam, touted as the world's largest hydroelectric power project and a major element in China's flood-control efforts. The story of this ban—which has not been entirely effective—demonstrates both the strengths and the growing weaknesses of the State in muzzling the media.

The Three Gorges project on the Yangtze River was initially conceptualized in the 1950s. It was approved for construction in an unprecedented split vote by the National People's Congress—China's national legislature—in 1992; one-third of the delegates voted no or abstained. This project is expected to take 20 years to complete. Estimates of the cost have ranged from \$12 billion to \$100 billion.

The government says Three Gorges eventually will have an electricity-generating capacity of more than 18,000 megawatts—about twice that of the Grand Coulee Dam in the United States. Over the years, critics have focused on the environmental damage the project is likely to cause, on the anticipated displacement of an estimated 1.1 million people from along the construction site, and on numerous unanswered questions about wastewater treatment, silting, and financing.

Between 1985 and 1990, *People's Daily* carried only six articles on this massive project. All these stories were centered around the official results of feasibility studies.¹ By contrast, the unofficial media ran at least 40 articles, most of which opposed the project or were neutral about it. *Qunyan*, a journal of one of China's nine authorized non-Communist parties, was the most outspoken media organ on the dam project.

Dai Qing, a journalist with the Communist Party-operated *Guangming Daily*, sought to run an article in that paper that would be critical of Three Gorges, but was told there was an unwritten directive against using anything other than Xinhua material on the project. Using borrowed funds, she compiled a book, *Yangtze! Yangtze!* composed of 22 articles by—and interviews with—scientists and specialists who took part in the feasibility studies but who disagreed with the State's decision to build the dam. When the book was published in March 1989, more than a dozen newspapers, including *People's Daily*, *Guangming Daily*, and the *World Economic Herald*, reported the event despite directives from above not to do so. The Tiananmen Square crackdown brought an end to further publication of critical views on this subject, and Dai Qing was arrested and imprisoned.

Between December 1991, when the leadership apparently decided to go ahead with Three Gorges, and April 1992, when the National People's Congress gave its less-than-unanimous approval, the government made a concerted effort to push the project forward. Some 30 articles lauding Three Gorges ran in *People's Daily*, most of them signed by party leaders and specialists. Only one unofficial individual, a villager living along the Yangtze, had any articles on the subject in *People's Daily* during this time. In the few instances in which criticism of the project appeared in the major media, it was unsigned.

In both the dominant pro-dam media and the anti-dam unofficial media, quotes from the late leaders Mao Zedong and Zhou Enlai have been used to justify positions. Pro- and anti-dam media organs agreed that the party leadership had the right to decide the matter, while disagreeing over the wisdom of the decision itself. Dai Qing's book was an

¹ Correspondence with a former Chinese journalist now living in Canada, March-September 1996.

exception, questioning the legitimacy of such a decision by the party. As a result, her book was banned.²

A Chinese researcher who has closely followed the Three Gorges issue notes that, in the past four years, criticism of the project in the Chinese media has been limited and moderate.³ Moreover, such negative reporting has been published in relatively obscure

publications located far from Beijing and from powerful provincial party organizations. It has focused on mismanagement of financial or technical aspects of the project by local officials, and has mostly been couched in elliptical language—for example, through references to the problems of earlier Chinese dams and to uncertainties about the effects of major construction on the ecosystems of neighboring countries.

² Interview with a Hong Kong-based Chinese media specialist, June 1996.

³ Correspondence with a Chinese scholar living in Japan, May-July, December 1996.

Appendix B

The Case of the *World Economic Herald*

Disarray and disunity within the Communist Party's central leadership between the death of General Secretary Hu Yaobang in April 1989 and the military's violent suppression of demonstrators in June opened the door for the Chinese media to test the limits of political acceptability during that two-month period. One measure of the disarray was that regular weekly meetings in Beijing between Propaganda Department officials and top newspaper editors to discuss party guidelines, press content, and coverage of news events were not held at all from the last week in April until after martial law was declared on 20 May.¹ No publication was bolder in exploiting the opening presented by these circumstances than the Shanghai-based *World Economic Herald*.

The *Herald*, launched in 1980 by longtime party cadre and journalist Qin Benli—a confidant of Hu Yaobang and reformist ex-Prime Minister Zhao Ziyang—had gradually moved from being a strictly economic journal to one that delved into more controversial topics of political reform. Some of the articles were highly controversial: these included a defense of Western over Marxist economic techniques; excerpts from speeches by prominent dissident physicist Fang Lizhi; and attacks on Chinese bureaucrats through symbolic use of foreign news, such as President Jimmy Carter's civil service reforms in the United States and changes in the Hungarian bureaucracy. The *Herald*, although affiliated with the Shanghai Academy of Social Sciences and printed under the auspices of Shanghai's official newspaper *Liberation Daily*, was effectively a quasi-private newspaper—that is, it was a satellite operation under the

Shanghai Academy's Association of World Economics rather than an official organ. The paper was one of the first important publications in China to become commercially successful—turning away State subsidies, supporting itself with revenues from advertising, and achieving a circulation that had reached about 300,000 at the time of its closing by the regime in May 1989.

Reflecting Qin's close relationship with Hu Yaobang, the *Herald* was one of three publications that presented wreaths at an unofficial memorial service for the reformist late party chief at Tiananmen Square in April 1989, raising the eyebrows of top party leaders who wanted to play down Hu's passing. When Qin decided to print the proceedings of an unauthorized seminar in early May on Hu's life and teachings—without agreeing to deletions ordered by Shanghai Propaganda Department officials—and sent advance copies to Beijing for early distribution, the Shanghai Communist Party Committee suspended him from the Party and sent a team to “inspect” the *Herald* on 7 May. The newspaper's issue the next day contained a denunciation by the staff of Qin's suspension and an assertion that only the Association of World Economics could fire him. In response, the Shanghai Party Committee closed the paper. During this period, journalists demonstrated in Tiananmen Square in substantial numbers—about 500 individuals on 4 May alone—to show support for the *Herald* and for the principle of press freedom. Following Qin's dismissal, more than 1,000 writers and journalists signed a petition circulated by *China Youth News* protesting his ouster.

¹ From the published work of a US scholar, 1995.

Appendix C

The Role of the "Internal" Media

The Chinese media's internal publication system, in which certain journals are published exclusively for government and party officials, provides information and analysis not generally available to the public. The State values these internal reports because they contain much of China's most sensitive, controversial, and high-quality investigative journalism.

Xinhua and many other Chinese media organizations produce reports for the "internal" journals. Informed observers note that journalists generally like to write for the internal publications—typically, only the most senior or most capable print and broadcast reporters are given such opportunities—because they can write less polemical and more comprehensive stories without having to omit unwelcome details as is commonly done in the print media directed to the general public.¹ A Chinese historian has noted, as an example of such self-censorship, that only a minority of China's population are aware 30 million people starved to death in the early 1960s, because the Party has never allowed the subject to be openly explored in the media.

The Chinese Government's internal media publication system follows a strict hierarchical pattern designed to facilitate party control. A publication called Reference Information (*Cankao Ziliao*)—which includes translated articles from abroad as well as news and commentary by senior Xinhua reporters—is delivered by Xinhua personnel, rather than by the national mail system, to officials at the working level and above. A three-to-ten-page

report called Internal Reference (*Neibu Cankao*) is distributed to officials at the ministerial level and higher. The most highly classified Xinhua internal reports, known as "redhead reference" (*Hong Tou Cankao*) reports, are issued occasionally to the top dozen or so party and government officials.

There are signs the internal publication system is breaking down as more information becomes widely available in China. A Hong Kong-based political journal circulated on the Chinese mainland has questioned the need for such a system in light of China's modern telecommunications and expanding contacts with the outside world.² Internal publications are becoming less exclusive; some are now being sold illegally on the street and are increasingly available to anyone with money.³

Some of the internal publications have changed substantially in an effort to avoid becoming obsolete. For example, the publication *News Front*—started in 1957 as a weekly tool for the Communist Party to instruct journalists on what to write—no longer was limited to that function when it reappeared after the Cultural Revolution. It continued to change gradually and is now a monthly publication that serves as a professional rather than political guide for journalists.⁴

² From an interview with a former mainland Chinese journalist now living in Hong Kong, June 1996.

³ From correspondence with a Hong Kong-based Chinese media specialist, July-August 1996.

⁴ From a US specialist's research on the Chinese media, June 1996.

¹ From interviews and correspondence with former mainland Chinese journalists and a Hong Kong-based media scholar, June-August 1996.

- **TODD HAZELBARTH**

Todd Hazelbarth wrote this study following a year (1995-96) of research sponsored by the DCI's Exceptional Intelligence Analyst Program. Mr. Hazelbarth has served in a variety of positions in the Directorate of Intelligence, focusing on East Asia, since 1981. He earned a Master's degree in Asian Studies from Brigham Young University in 1980.

